

NOTICE OF INTENT
Office of the Governor
Office of Financial Institutions

Compensatory Benefit Plan (LAC 10:XIII.801)

In accordance with the Louisiana Securities Law, R.S. 51:701 et seq., and particularly, R.S. 51:709(15), and the Louisiana Administrative Procedure Act, R.S.49:950 et seq., the commissioner of the Office of Financial Institutions hereby gives his Notice of Intent to adopt LAC 10:XIII.801, a Rule to establish an exemption for Compensatory Benefit Plan securities and transactions.

Title 10

**FINANCIAL INSTITUTIONS, CONSUMER CREDIT,
INVESTMENT SECURITIES AND UCC**

Part XIII. Investment Securities

Subpart 1. Securities

Chapter 8. Compensatory Benefit Plans

§801. Compensatory Benefit Plan Exemption

A. By authority delegated to the commissioner in R.S.51:709(15) to promulgate rules thereunder, a security or transaction described in Subsection B is determined to be exempt from the registration requirements of R.S.51:705.

B. Offers or sales of a security by an issuer pursuant to a written compensatory benefit plan, including, without limitation, a purchase, savings, option, bonus, salary appreciation, profit-sharing, thrift, incentive, pension or similar plan, and interests in any such plan, provided that the offers and sales qualify for use of the registration exemption in Rule 230.701 under Section 28 of the Securities Act of 1933.

AUTHORITY NOTE: Promulgated in accordance with R.S.51:709(15)

HISTORICAL NOTE: Promulgated by the Office of the Governor, Office of Financial Institutions, LR 34:

Family Impact Statement

Pursuant to R.S.49:972, and prior to adoption of the proposed Rule LAC:XIII.801, Compensatory Benefit Plan Exemption, the Office of Financial Institutions considered the impact of the proposed Rule, and found that the proposed Rule, if adopted, would have no effect on the stability of or the functioning of the family, the authority and rights of parents regarding the education and supervision of their children, family earnings and family budget, the behavior and personal responsibility of children, or the ability of the family or a local government to perform the function as contained in the proposed Rule.

All interested persons are invited to submit written comments on this proposed Rule, no later than 4:30 p.m., July 10, 2008, to Rhonda Reeves, Deputy Commissioner of Securities, P.O. Box 94095, Baton Rouge, LA, 70804-9095, or by hand delivery to the Office of Financial Institutions, 8660 United Plaza Boulevard, Second Floor, Baton Rouge, LA 70809-7024.

John Ducrest
Commissioner

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**
RULE TITLE: Compensatory Benefit Plan

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

The proposed rule will have no implementation costs or savings to the state of Louisiana or any other governmental unit.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE
OR LOCAL GOVERNMENTAL UNITS (Summary)**

The proposed rule will have no effect on revenue collections for the state of Louisiana or any other governmental unit.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL
GROUPS (Summary)**

The proposed rule provides a self-executing exemption from registration for certain securities issued under compensatory employee benefit plans, provided that such securities are exempt under federal regulations. Implementation of this rule will provide an economic benefit to the issuers of such securities since they will no longer be required to file documents with this office.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)**

The proposed rule is not expected to have any impact on competition and employment in the public or private sector.

John Ducrest, CPA
Commissioner
0806#052

H. Gordon Monk
Legislative Fiscal Officer
Legislative Fiscal Office